JENNIFER M. GRANHOLM GOVERNOR

STATE OF MICHIGAN

DEPARTMENT OF NATURAL RESOURCES



LANSING

June 9, 2008

TO:

Rebecca A. Humphries, Director

INFORMATION:

Natural Resources Commission

Transaction:

State Forest Land Acquisition

Cadillac Management Unit - Missaukee County

The Teridee Tract

Land Transaction Case #20070324

Purchase Price:

600.0 acres – \$960,000.00

Description:

Missaukee County, Norwich Township, T24N, R05W, the South ½

of Section 10; AND the North 1/2 of Section 15, EXCEPT for the NW 1/4 of the

NW ¼ of said Section 15.

Sellers:

Teridee, LLC, Lake City, Michigan.

Option Expires:

July 28, 2008

Property Taxes:

The property taxes for 2007 were \$18,343.00

Authority:

Act 451, Public Acts of 1994, as amended

Notice:

This item will appear on the Department of Natural Resources' (Department)

June 30, 2008 Calendar and is eligible for approval on July 7, 2008.

Comments:

The offered private parcel is located in northeast Missaukee County, approximately three miles east of Moorestown and six miles west of Higgins

Lake. The property is situated amidst thousands of acres of adjacent State-

owned land managed as part of the Cadillac Management Unit.

The offered 600-acre forested parcel has frontage on several county-maintained roads and is surrounded by adjacent State-owned lands. The site is generally level. Willow Creek influences approximately 60 acres of the property within a floodplain of organic soils and areas of open marsh and cedar-spruce stands. The remainder of the property has primarily sandy soil and a forest cover that is dominated by aspen, with areas of oak and some

grand white pine specimens.

Similar to adjacent State-owned properties, the offered property is actively used for oil extraction activities. Fifteen oil wells are scattered in a grid pattern throughout the property. Each well is located on a one-acre cleared site with access to and from the county road system. The mineral rights to the property are not owned by the seller; therefore, acquisition of mineral rights will not be a part of this transaction.

Acquisition of this private in-holding will consolidate ownership, eliminate four and one-half miles of property boundary, prevent fractionalization of the land base, increase public recreational opportunities, and secure additional wildlife habitat.

Recommendation:

That this tract be approved for purchase with payment to be made from the Michigan Natural Resources Trust Fund, Trisch Trust Property Acquisition, as approved in Act 59, Public Acts of 2007.

David E. Freed, Chief Land and Facilities

Douglas A. Reeves, Acting Chief Wildlife

Lynne M. Boyd, Chief Forest, Mineral and Fire Management Kelley D. Smith, Chief Fisheries

Arminda S. Koch Resource Management Deputy

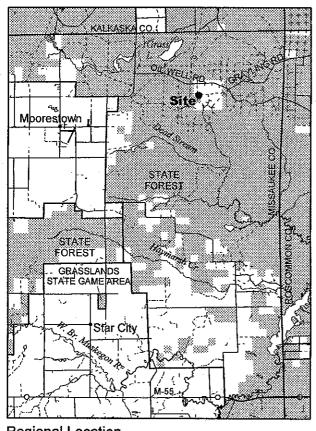
Dennis R. Fedewa Chief Deputy

I approve the staff recommendation.

Rebecca A. Humphries Director

Date Approved

STATE FOREST LAND ACQUISITION Cadillac Management Unit - Missaukee County Land Transaction Case #20070324



STATE FOREST

STATE
FOREST

STATE
FOREST

STATE
FOREST

STATE
FOREST

Regional Location

Sections 10 and 15, T24N, R05W Norwich Township

--- State Forest and Game Area Boundaries

Land Offered to DNR (600.00 acres - \$960,000.00)

State Land

Private Land



